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E.O. 12356: N/A

SUBJECT: FUTHER MEDIA REACTION ON AMBASSADOR REICH'S
 SENATE HEARINGS

1. EV BAUMAN, WASHINGTON CORRESPONDENT, FOR LEFTIST "EL NACIONAL" WROTE A HIGHLY POSITIVE REPORT ON AMBASSADOR REICH'S HEARINGS TITLED "CONGRESSIONAL HEARINGS: REICH PRAISES VENEZUELA". IN IT HE QUOTES EXTENSIVELY FROM AMBASSADOR REICH'S OPENING STATEMENT TO THE SENATE FOREIGN RELATIONS COMMITTEE. BAUMAN'S PIECE ALSO NOTED BRIEFLY SENATOR HELMS' ALLEGATION THAT AMBASSADOR REICH WAS TOO LIBERAL AS REGIONAL DIRECTOR OF AID PROGRAMS AND HIS EFFORT TO DELAY CONFIRMATION BY REQUIRING AMBASSADOR REICH TO ANSWER HIS QUESTIONS ON SALVADORAN AGRARIAN REFORM.

2. THE SAME "EL NACIONAL" PIECE INCLUDED EXCERPTS FROM AMBASSADOR REICH'S RESPONSES TO QUESTIONS FROM SENATOR'S LUGAR AND LUGAR AND DODD: IN ANSWER TO A QUESTION FROM SENATOR LUGAR ABOUT THE POSITION OF VENEZUELA ON THE PAYMENT OF ITS DEBTS, AMBASSADOR REICH SAID TO HAVE "EMPHASIZED THAT THE COUNTRY HAD BEEN RESPONSIBLE AT ALL TIMES AND THAT, WITH ITS RESERVES OF MORE THAN 13 MILLION DOLLARS, IT SHOULD BE ABLE TO WEATHER THE DIFFICULT SITUATION CREATED BY THE FALL OF OIL PRICES. HE IS DIRECTLY QUOTED AS ADDING "VENEZUELA IS A VERY FRIENDLY DEMOCRACY AND WE SHOULD BE VERY SENSITIVE TO ITS NEEDS) IF IT REQUIRES SOME ASSISTANCE. WE HAVE MANY THINGS IN COMMON, AND WE SHOULD BE UNDERSTANDING." IN RESPONSE TO LUGAR'S QUESTION ABOUT WHETHER VENEZUELA IS ALLIED WITH OTHER LATIN AMERICAN NATIONS TO REPUDIATE ITS DEBTS, THE AMBASSADOR IS PARAPHRASED SAYING THAT VARIOS COUNTRIES ARE CONSULTING AMONG THEMSELVES AND HAVE THEIR INDIVIDUAL INTERESTS. VENEZUELA ...HAS RECOGNIZED ITS DEBTS AND HAS ALWAYS PAID INTEREST (ON THEM). FINALLY, IN RESPONSE TO A QUESTION ASKED BY SENATOR DODD, DESCRIBED AS ONE OF THE PRINCIPLE ADVERSARIES OF PRESIDENT REAGAN'S CENTRAL AMERICAN POLICIES, ABOUT HOW VENEZUELAN PRESIDENT ROMULO BETANCOURT WOULD HAVE CONFRONTED THE SITUATION IN NICARAGUA, AMBASSADOR REICH WAS REPORTED TO HAVE DISCLAIMED ANY RIGHT TO SPEAK FOR THE FORMER PRESIDENT,

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BUT EMPHASIZED THAT BETANCOURT CONFRONTED MILITARILY AND
DEFEATED AN ARMED INSURGENCY FOMENTED BY OUTSIDERS,
WHICH RESULTED IN 25 YEARS OF DEMOCRATIC SUCCESS IN
VENEZUELA."

4. BAUMAN NOTED THAT DODD SURPRISED THOSE PRESENT BY
DECLARING THAT "THOUGH HE WAS NOT IN AGREEMENT WITH
REICH ON THE SITUATION IN NICARAGUA, HE ADMITTED.. THAT
FORCE MUST BE USED IN THE SITUATION CREATED IN NICARAGUA
BY THE SANDINISTAS." DODD IS REPORTED TO HAVE CONCLUDED
HIS REMARKS BY ANNOUNCING THAT HE WILL VOTE FOR REICH,
WHOM HE CONSIDERS WELL PREPARED FOR THE IMPORTANT
POSITION IN CARACAS. MCAFEE
END OF MESSAGE

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